(c) The sharp decline in growth rate of agriculture sector during 2004-05, was mainly due to the decline in the production of agricultural crops during the kharif season.

(d) The Government has taken a number of measures to achieve higher growth of the economy, including the agriculture sector. These, *inter alia,* include emphasis on enhanced public investment, diversifying agriculture, promotion of public-private partnership for infrastructure development and facilitating growth in industries and services sector through an enabling policy environment. The various measures are expected to have a favourable impact on the economy.

Under-invoicing by drug companies

2279. SHRI NANDI YELLAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of cases are pending with Government against drug companies for over/under-invoicing;

(b) if so, the details thereof including the names of such companies and the amount of duties and loss of Foreign Exchange due to over/ under-invoicing for 2000-01, 2001-02 and 2002-03, case-wise;

(c) the amount realised due to regularisation of such finacial irregularities for 2000-01, 2001-02 and 2002-03, company-wise;

(d) the reasons for delay, if any, in deciding these cases;

(e) the remedial measures taken by the Government for timely settlement of such cases; and

(f) the results obtained thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. Some cases of under-invoicing by drug companies have been detected as given in Statement (*See* below). But no case of over-invoicing has been detected.

Statement

List of cases where under-invoicing has been detected

Year	Sl.No.	Name of the Company	Amount involved (in lakhs)	Loss of Foreign exchange	Amount Realised (in lakhs)	Remarks/ Present status
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2000-2001	1	Sai Mirra Pharmaceuticals Pvt. Ltd., Chennai	411.52	Nil	Nil	Case adjudicated. Party has filed an appeal before Customs Excise Service Tax Appellate Tribunal (CESTAT).
	2	American Remedies Ltd., Chennai & Others	24.51	Nil	Nil	Case adjudicated.
	3	Bans Labs Ltd., Gondal Road, Rajkot	5.45	Nil	5.45	Case Adjudicated.
		Total:	441.48		5.45	
2001-2002	1	Wockhardt Life Sciences Ltd., Alathur, Chennai	84.51	Nil	Nil	Case adjudicated. Party has filed an appeal before CESTAT.
	2	Sai Mirra Innopharm Pvt. Ltd., Chennai	663.00	Nil	Nil	Case adjudicated. Party has filed an appeal before CESTAT.
	3	Pharma Asia Ltd., Hyderabad	111.00	Nil	111.00	Case adjudicated and upheld by Settlement Commission.
		Total:	858.51		111.00	
2002-2003	1.	Krebs Bio Chemcials, Nellore	9.00	Nil	4.05	Case adjudicated. Part amount confirmed by the Settlement Commission has been recovered.
	2.	Hetero Drugs Ltd., Jeedimatla	7.19	Nil	7.19	Full amount recovered.
	3.	Aurobindo Pharma Ltd., Hyderabad	150.00	Nil	65.71	Cost auditor appointed in this case, and transferred

(1)	(2)	(3)	(4)	(5)	(6)	(7)
						to Commissioner of Central Excise, Hyderabad-I for issue of Show Cause Notice based on the Cost Auditor's report.
	4.	Pankajakasthuri Herbals India Ltd, Thiruvananthapuram	35.82	Nil	Nil	Case Adjudicated.
	5.	Parental Drugs India Ltd, Indore	21.05	Nil	21.05	Full amount recovered.
	6.	Prem Pharmaceuticals, Indore	1.90	Nil	1.90	Show Casue Notice issued.
	7.	Lacure Pharmaceuticals Ltd, Umbergaon, Gujarat	25.00	Nil	Nil	Show Cause Notice is in the process of being issued.
	8.	CFL Pharmaceuticals Ltd, Ponda and its loan licensee CFL Centaur Pharmaceuticals Ltd, Tivim, Goa.	0.27	Nil	Nil	Case adjudicated.
	9.	CFL & Centaur Drug House Pvt. Ltd., Tivim, Goa	1.08	Nil	Nil	-do-
	10.	CFL & Cosme Pharma Ltd, Bicholim, Goa	1.73	Nil	Nil	-do-
	11.	CFL & M/s. Synchem Pvt. Ltd, Tuem, Goa	0.36	Nil	Nil	-do-
	12.	CFL & Chery Laboratories Pvt. Ltd, Kundiam, Goa	0.07	Nil	Nil	-do-
	13.	CFL & Cosme Remedies Ltd, Bardez, Goa	0.94	Nil	Nil	-do-
	14.	Relief Laboratories Ltd, Nagpur	0.24	Nil	Nil	-do-
		TOTAL:	254.65		99.90	

(b) and (c) There has been no loss of Foreign Exchange as there are no cases of over-invoicing. Details of cases where under-invoicing has been resorted to for evasion of excise duty during 2000-01, 2001-02 and 2002-03, case-wise are annexed. Suitable action as per Central Excise Act, 1944 and the Rules made thereunder is being taken to recover the amount.

(d) There has been no delay in deciding these cases.

(e) and (f) In view of reply to part (d) above question does not arise.

Review of functioning of Panchayati Raj Institutions

2280. SHRI S.S. AHLUWALIA: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether any review of the functioning of the Panchayati Raj institutions, with particular reference to utilization of authorities devolved to the respective tiers of the institutions, *vis-a-vis* those envisaged in the Law, across the country;

(b) if so, the salient findings thereof especially highlighting the weak-spots and loopholes, if any, which might have been found to be hindering better realization of the objectives of the institutions, State-wise; and

(c) the measures initiated, if any, to facilitate improvement of the prevailing situations?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) to (c) The Ministry of Panchayati Raj convened seven Round Table meetings with State Ministers in charge of Panchayati Raj and evolved, by consensus, a set of around 150 points for action which have been put together in a compendium that was adopted unanimously at the conclusion of the last Round Table in Jaipur. A Council of State Ministers of Panchayati Raj under the Chairmanship of Union Minister for Panchayati Raj has been constituted to monitor the implementation of the recommendations.

A Committee of Chief Secretaries of States and State Panchayati Raj Secretaries has been constituted under the Chairmanship of the Secretary (Panchayati Raj) to monitor the progress on the implementation of the 150 recommendations of the Seven Round Tables. Two review